

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In re:

Chapter 7

Dennis E. Hecker,

BKY No. 09-50779

Debtor.

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Randall L. Seaver, Trustee,

Adv. No.: 11-5\_\_\_\_

Plaintiff,

vs.

**ADVERSARY COMPLAINT**

Allen N. Eide,

Defendant.

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Randall L. Seaver, the Chapter 7 Trustee of the Bankruptcy Estate of Dennis E. Hecker ("Trustee"), for his Complaint against Allen N. Eide ("**Defendant**" or "**Eide**"), states and alleges as follows:

1. On June 4, 2009, Debtor Dennis E. Hecker ("**Debtor**") commenced this bankruptcy case by filing a voluntary Chapter 7 petition in the District of Minnesota. Trustee was appointed as the Chapter 7 Trustee.

2. Defendant is an automobile dealer and longstanding friend and business partner of the Debtor. Defendant resides in North Dakota and Arizona and has business interests within in the State of Minnesota

3. Defendant lent \$500,000.00 to the Debtor without having received a promissory note on two occasions in 2008. In July of 2008, Eide was ultimately able to obtain a note. In August of 2008, Eide did not obtain a note.

4. In late 2008, Debtor was a party to a “standstill agreement” with Chrysler. Despite this, and despite his nonpayment to most other creditors, he continued to make payments to Eide.

5. Eide and Hecker have a history of business dealings and relationships. Most importantly, they were 50/50 owners of Monticello Ford-Mercury, Inc. (“**Monticello Ford**”).

6. Hecker acquired his 50 percent interest in Monticello Ford from Eide on or about January 24, 2005. From that point forward, Eide and Hecker co-owned Monticello Ford.

7. As to Monticello Ford, Eide was party to a Consulting Agreement which was either (a) a legitimate agreement which required his actual participation or, (b) was an effort to enable Hecker to disguise the purchase price as a consulting agreement. Either way, Eide remained a half owner of the entity.

8. Eide assisted his daughter in purchasing Hecker property in Baxter for less than Hecker’s anticipated valuation.

9. Hecker allowed Eide to have direct access to him while most other creditors were screened and not provided with direct email and telephone access.

10. In late 2008 and early 2009, Hecker owed Eide millions of dollars. At the same time, Hecker owned real property in Pine City, MN. Hecker sold the real estate to Eide or his daughter and structured the purchase as an assumption of the Carlton Financial first mortgage on the property (which was about \$2.0 million at the time and possibly in foreclosure). Upon information and belief, Eide or, possibly his daughter, shortly thereafter foreclosed on that interest. The \$2.0 million it took for the Eides to acquire the property was substantially less than the roughly \$4 million purchase price paid by Hecker about two years prior.

11. Hecker made investments and appears to have left the knowledge and control as to those investments to Eide. An example, is Exhibit A hereto (see the entries for Alien Technologies (i.e., “Allen Eide Sue Miller will call Sandy (Daughter) for info.”)).

12. Debtor and his business entities had a longstanding relationship with Eide and their relationship was sufficiently close to merit extra scrutiny.

13. In the year prior to filing, Hecker repaid the sum of \$121,569.61 to Eide, in separate payments, which are avoidable by the Trustee (the “**Transfers**”).

14. Due to the nature of the relationships between Debtor, his entities and Eide and his entities, Defendant is an “insider” as defined by the Bankruptcy Code and Minnesota state law.

**COUNT ONE: FRAUDULENT TRANSFER UNDER MINN. STAT. §513.45(b).**

15. The Trustee restates and realleges the foregoing paragraphs of this Complaint.

16. Defendant’s claim against Debtor arose prior to the Transfers.

17. The Transfers were made to Defendant on account of an antecedent debt at time when Debtor was insolvent.

18. The Transfers were made to Defendant, an insider, at a time when Defendant had reasonable cause to believe that Debtor was insolvent.

19. Under Minn. Stat. §513.45(b), made applicable to this proceeding by 11 U.S.C. §544, and under 11 U.S.C. §550, the Trustee is entitled to recover the value of the Transfers from Defendant plus interest.

**COUNT TWO - PREFERENCE**

20. The Trustee restates and realleges the foregoing paragraphs of this Complaint.

21. During the year prior to the commencement of this Chapter 7 case, Defendant, an insider, received the Transfers.

22. At the time of the Transfers, Defendant was a creditor of the Debtor by way of a guaranty.

22. The Transfers constituted transfers of an interest of the Debtor's property.

24. The Transfers were for, or on account of, an antecedent debt owed by the Debtor to Defendant.

25. The Debtor was insolvent at the time of the preferential payments or was presumed to have been insolvent.

25. The Transfers enabled Defendant to recover more than he would receive as a creditor in this Chapter 7 case.

26. None of the exceptions to the Plaintiff's avoidance powers set forth in 11 U.S.C. §547(c) applies to the preferential payments.

27. Pursuant to 11 U.S.C. §547(b), the preferential payments are avoidable.

28. Pursuant to 11 U.S.C. §550(a), Plaintiff may recover from Defendant the preferential payments.

WHEREFORE, the Trustee seeks a judgment of this Court for the following:

1. Avoiding the Transfers to Defendant as fraudulent transfers under 11 U.S.C. §544 and under Minn. Stat. §513.45(b);

2. Avoiding the Transfers to Defendant as preferential pursuant to 11 U.S.C. §547;

3. Entering judgment for the total value of the Transfers, together with interest, against Defendant and in favor of Randall L. Seaver, Trustee, under 11 U.S.C. §§544, 547, and 550 and under Minn. Stat. §513.45(b); and,

4. Awarding Randall L. Seaver, Trustee, his costs, disbursements and attorneys' fees as allowed by law, and for such other relief as the Court deems just.

**LEONARD, O'BRIEN  
SPENCER, GALE & SAYRE, LTD.**

/e/ Matthew R. Burton

Dated: June 2, 2011

By \_\_\_\_\_  
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Attorneys for Randall L. Seaver, Trustee

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Financial Statements and Tax Returns		Prepared By Someone Else
MIKDEN LLC (TCF 2M) 50/50 MG	03	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Mikden of Stillwater LLC (TCF, 4.8) \$0lnw/400, NP 50DEH/50MG	04	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Mikden of Minnetonka LLC (Venture) 150, 50%DEH/50%MG	04	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Clearwater Retail Center LLC MG&DH&BB 275,000 each	03	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Jacob Holdings of Nestor Falls, Inc. 120, DH50% MG50% (Alliance600RLC)	04	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Shady Roost Lodge Corporation-Owned by JH Nestor Falls	04	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Mikden of Oakdale LLC (TCF 1.2) 50/50MG	04	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Michael Holdings of Baxter LLC 50DEH, 50MG (was 25/75) (Northmarq) 300+375 (Ven)+20	05	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown (Land, Sell to Lowes)
Mikden of Baxter Hotels LLC DEH/ MG 50/50% 150,000 each, owns 1sh of 10 of CLL	05	Don Jensen, Jerad Ducklow, Michael Givens - Wendy's FourCrown
Central Lakes Lodging LLC	-	Robert Sullivan, Built a Holiday Inn & Waterpark near Brainerd, opened 6/05
Ideal Car Rental, Inc.	92	Tom Kieffer - Preferred Car Rental
Wheels & Things, Inc.	92	Tom Kieffer - Preferred Car Rental
Denny Hecker's Home Loans LLC 75% DEH 25% Plummer	07	Will Plummer
Denny Hecker Mortgage LLC 990DEH, +10WIC (American Bank) DEH 250+250	04	Will Plummer Will part owner ?
Terra Form LLC DEH25%, JH25%, RV50% DEH=0\$ Build Condos, Signature Bank 1.9	04	Richard Vogelgesang/Laura Priebe, Jeff Holmers
Brighton Ventures LLC ?\$ 30units=33%	06	Wayne Belisle Need copy of Member Control Agreement
Belwin, LLC \$0 DEH=25%, 37.5WB, 37.5AL	04	Wayne Belisle Documentation of DEH Ownership
American Hometown Title, L.L.C. DH30%	04	Wayne Belisle (30%), Gloria J. Lorenston (40%)
P.I.G., LLC \$? 5% from Wayne? Owns 40+% of M Ventures Group LLC	04	Wayne Belisle Documentation of DEH Ownership
M Ventures Group LLC \$50,000 ?? Owns Clevware LLC & Mobiliam LLC	04	Wayne Belisle Documentation of DEH Ownership
Fleet Team, LLC (Shares owned by RDL)	03	James Wolf, (Pat Madigan at Comdata Corporation)
Jazel Automotive Services, LLC (CA) 70%DEH 30% ??? Need Organizational Document	04	?????, John Cadle Final Return 2005 ?
Freedom First Financial LLC Was 99/1 now 70%DEH, 15%Plummer, 15%Zellmann	04	Will Plummer, Mike Zellmann
ITR Group, Inc. 500-200=300 DEH 50%, TM 50%, cash basis TR	04	Todd Monpetit Need Stock Cert. For 480 shares
ITR Mobility LLC Owned 100% by ITR Group, Inc.		
H & M Holdings of Mendota LLC DEH50% TM50% \$ ?? in from ITR Distribution	06	Todd Monpetit Office Bldg for ITR
RWB Development Company LLC \$100,000=1 Unit (Chambers)	04	Ralph Burnet (Funds are being escrowed, No LLC Cert issued)
PCR Venture LLC 50% Austin Capital LLC, 50% Orlin, Inc.	05	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture of Ft. Lauderdale LLC 100% PCR Venture LLC (59,601.09)	05	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture of Denver LLC 100% PCR Venture LLC (600,000 to Austin/Orlin/Denver)	05	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture Leasing LLC 100% PCR Venture LLC	05	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture of Phoenix LLC 100% PCR Venture LLC (100,000 Austin, PCR, Phoenix)	05	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture of Orlando LLC 100% PCR Venture LLC Not Used-Orlin owns ops	06	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
PCR Venture of Tampa LLC 100% PCR Venture LLC Not Used-Orlin owns ops	06	Gary Fulena President, CEO, Mgr, VP, T, S Kandy Sauer, Controller
LAS Rentals, LLC 100% Orlin-12/1/6 (Was 40/60 Austin/Orlin) Org Docs/Change	05	Richard (Rick) L. Stevens, Orlin, Inc.
Snapdragon's Ventures, LLC (\$0, DEH50%, ck with John Besse) no files yet	06	Jan Belisle
Ablake, LLC (WIC 50%)	96	Rollie Benjamin, Tim Adelman, Duane Rouse at Abra, Inc.
Geeks Techniques Web Site Optimization LLC 49% DEH 51% Eric Brinkman	07	Eric Brinkman
Denny Hecker Real Estate Holding Company LLC 99%DEH 1%WIC	07	Young
Denny Hecker Real Estate Company LLC 100% DHREHC Merge into TCH ??	07	Young
Twin City Homes LLC 100% DHREHC LLC	?	Young
Transcend Communications, Inc. \$200,000+199,999+1+100,000=500,000=55%	06	Todd A. Vojta, President
Kuhlman Company No K-1	05	JPMorgan Chase
Hunter Ridge Partners LLC (See Above) - Owns the following Investments	05	Wayne Mills
Hydrogen Power International 613,005 sh & 75,000 Warrants:\$850,000	05	Wayne Mills - Held in Ndx Trading, Inc. Brokerage Account
Spectre Gaming, Inc. 2,044sh CS 100 sh Series B Conv. Pref. 315,000 Warrants	05	Wayne Mills
Nuvo Energy, Inc. 200,000 sh Wayne's Contribution	06	Wayne Mills - Has this been transferred to Hunter Ridge Partners?/get a copy
Nuvo Energy, Inc. 250,000 sh \$75,000	06	Wayne Mills do we have a copy of the stock cert
Calix Networks, Inc. 13,069 sh \$180,352	06	Wayne Mills - Has this been transferred to Hunter Ridge Partners?/get a copy
El Capitan Precious Metals, Inc. \$50,000=125,000Units=1sh&1w No K-1	05	Charles Mottley President, James Ricketts Secretary, Wayne Mills
Dermatrends, Inc. 100,000sh Series A Preferred \$250,000	06	Wayne Mills
Inhibitor Therapeutics, Inc. 30,495 sh (285sh of Inhibitor from Wayne B.) No K-1	05	Wayne Mills, Maslon
LLC that owns stock in Alien Technology Corporation \$200,000	05	Allen Eide Sue Miller will call Sandy (Daughter) for info, Erik Dove is getting
Alien Technology Corporation	?	???
Ten Thousand Lakes Fund, LLC 50,000 Private Placement \$0.696/unit 71,840 Units 1%	05	Gregory Fecho - Held in MJSK Account (Gearworks, Inc.) → strip - citation
Cymbet Corporation 50,000 Private Placement No K-1	04	Gregory Fecho - Held in MJSK Account
Impres Medical, Inc. 50,000 Private Placement No K-1	04	Paul Danielson - Held in MJSK Account
Tactile Systems Technology, Inc. 25,050 Private Placement No K-1 16,700 sh	05	Gregory Fecho - Held in MJSK Account
Apollo Diamond, Inc. 50,000 No K-1	04	Bryant Linares
Bremer Financial Corporation 1,947.50 No K-1	04	Jim McWilliams
Venture Bancshares, Inc. 50,000 .588586% No K-1 up to 2006 then S-Corp & K-1	01	Michael Zenk
The Oceanaire, Inc. (Owner: Rosedale Dodge, Inc.) \$200,000 (Stock Cert) No K-1	02	Phii Roberts, Terence Ryan 72,727 Series A Convertible Preferred Stock
The Oceanaire, Inc. (Owner: DEH) \$11,180 No K-1	06	2,795 Common Stock